



Women Entrepreneurship : Problems and prospects

KEYWORDS

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ABSTRACT *Women's entrepreneurship is both about women's position in society and about the role of entrepreneurship in the same society. Increased participation of women in the labour force is a prerequisite for improving the position of women in society and self-employed women. Particularly the entry of women in micro enterprises will be encouraged and aggravated. Women can do wonders by their effectual and competent involvement in entrepreneurial activities. The women are having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Now, what is the need is knowledge regarding accessibility to loans, various funding agencies procedure regarding certification, awareness on government welfare programmes, motivation, technical skill and support from family, government and other organization. Formation and strengthening of Women Entrepreneurs network must be encouraged. Women entrepreneur networks are major sources of knowledge about women entrepreneurs which in turn strengthens their capacities besides adding to the family income and national productivity.*

Women constitute almost half of the total population in the world. However, their representation in gainful employment is comparatively low. According to an I.L.O. report, in 1980, women are 50 per cent of the world's population, do the two-thirds of the world's work hours, produce half of the world's food supply, receive 10 per cent of the world's income and own less than 1 per cent of world's property, "all because of an accident of birth". In many of the countries, average earnings of women are lower than that of men, in several countries; marriage is the only career for most women. Women have confined their activities to selected professions such as education, nursing, medicine and office work. Very few women enter professions like industry, engineering, trade etc.

Women entrepreneurs may be defined as the woman or a group of women who initiate, organize and operate a business enterprise. According to Schumpeter "an entrepreneur is an innovating individual who introduces something new into the economy". According to Marshall any woman or group of women which innovates, initiates or adapts an economic activity may be called women entrepreneurship". According to the Government of India, a woman entrepreneur is defined as "an enterprise owned and controlled by women and having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women".

It is pertinent to mention that due to vast differences in the socio-economic status, education, etc., women entrepreneurs in India do not belong to a single category, they can be classified into three groups.

- The first group consists of women with adequate education in professional qualification and is engaged in large industrial units. This kind of entrepreneur provides a pointer to the huge developmental potential.
- The second category of entrepreneur consists of middle class women education but lack skill and training and is engaged in handicrafts and cottage industries.
- The third category of entrepreneurs is illiterates, financially weak and is engaged in family business.

Literature review

The major work on entrepreneurship came from Schumpeter according to him entrepreneur is an innovator. Harbison has enumerated the functions of women entrepreneur. They are 1.Exploring of the prospects of starting a new business.

2. Undertaking of risks and the handling of economic uncertainties involved in business.
3. Introduction of innovations or imitation of innovations.
4. Co ordination, administration and control
5. Supervision and leadership.

Vijaya in her study of entrepreneurs observed that nearly 40 per cent of the entrepreneurs were attracted by incentives, subsidies and other facilities offered by the government.

Hisrich studied the characteristics of entrepreneurs and their business and suggested changes to support new venture creation such as education, business infrastructure and government policy initiatives.

Paton Nic opined in low and middle income countries women generally become early stage entrepreneurs between the ages of 25 – 44 and established by 35 – 54 years old. Kepler opined gender does not affect new venture performance.

Sairee Chahal, Founder SHEROES, points out that, according to the International Labour Organisation(2014), India ranks in the bottom 20 of a list of 131 counties in female labour force participation.

Problems of women entrepreneurs:

Women Entrepreneurs in India face some problems and constraints. They are as follows:

- Financial constraints

Women entrepreneurs always suffer from inadequate financial resources and working capital. They are lacking access to external funds due to absence of tangible security and

credit in the market. Women do not generally have property on their names. Owing to the lack of confidence in women's ability, male members in the family do not like to risk their capital in ventures run by women. The complicated procedure of bank loans, the inordinate delay in obtaining the loans and the running about involved, discourage women from venturing. Women entrepreneurs also face the problem of obtaining working capital for financing day-to-day operations of their enterprises. Banks discourage women borrowers believing that they will leave their business and become homemakers again. Most of the women enterprises fail due to lack of financing.

▪ **Marketing constraints**

For marketing their products, women entrepreneurs are often at the mercy of the intermediaries who pocket the chunk of profit. Although the intermediaries exploit the women entrepreneurs, the elimination of intermediaries is difficult because it involves a lot of running about. Further, women entrepreneurs find it difficult to capture the market and make their products popular.

▪ **Shortage of raw material**

Women entrepreneurs find difficult to procure raw materials and other necessary inputs. The failure of many women co-operatives in 1917 such as those engaged in basket making was mainly due to the inadequate availability of forest-based raw materials.

▪ **Stiff competition**

Many of the women enterprises have imperfect organizational setup. They have to face severe competition from organized industries and male entrepreneurs.

▪ **High cost of production**

Another problem, which undermines the efficiency and restricts the development of women enterprises, is the high cost of production. Government assistance in the form of grants and subsidies to some extent enables them to tide over this difficulty. However, to ensure their ultimate survival, it is necessary to increase efficiency, expand productive capacity and thereby reduce the cost.

▪ **Low mobility**

One of the biggest handicaps for women entrepreneurs is mobility or traveling from place to place. Women on their own find it difficult to get accommodation in smaller towns. A single woman asking for a room is still looked upon with suspicion. Some of the women entrepreneurs complain that government clerks and private dealers harass them, as women are believed to be less able to go through complicated court proceedings.

▪ **Familial constraints**

In India, it is mainly a woman's duty to look after the children and other members of family. Her involvement in family leaves little energy and time for business. Married women entrepreneurs have to strike a fine balance between business and home. Without the support and approval of the husband, the female entrepreneurs cannot succeed. Despite modernization, tradition and family responsibilities slow down the movement of women.

▪ **Social constraints**

The biggest problem of women entrepreneurs is the social attitude and the constraints in which she has to live and work. Despite constitutional equality, there is discrimination against women. In a tradition bound society, women suffer from male reservations about a women's role and capacity.

In rural areas, women face resistance not only from males but also from elderly females who have accepted inequality. The overbearing presence of elders restrains young girls from venturing out. Rural women have the potential but they are not properly trained. It is believed that a skill imparted to a girl is lost when she gets married. Therefore, girls continue to be helpers in agriculture and handicrafts and do not become independent entrepreneurs. In a male dominated society, women do not get equal treatment and the male ego puts up barriers in her progress.

▪ **Low ability to bear risk**

Women have comparatively a low ability to bear economic and other risks because they have led a protected life. Sometimes they face discrimination in the selection for entrepreneurial development training. Some of them lack entrepreneurial initiative. Inferiority complex, unplanned growth, lack of infrastructure, late start, etc. are some problems of women entrepreneurs in India.

▪ **Educational constraints**

In India, literacy among women is very low. Due to lack of education, a majority of women are unaware of technological developments, marketing knowledge, etc. Lack of information and experience creates further problems in the setting up and running of the business enterprises.

▪ **Low need for achievement**

Need for achievement, independence and autonomy are the prerequisites for success in entrepreneurship. However, women are proud to bask in the glory of their parents, husbands, sons, etc. Their preconceived notions about their role in life inhibit achievement and independence. In the absence of the required urge to achieve, few women succeed as entrepreneurs.

In addition to the above problems, inadequate infrastructure, shortage of power and technical expertise and other economic and social constraints have retarded the growth of women entrepreneurship in India.

Causes of slow growth in women entrepreneurship

In India, women's entry into labour is a recent phenomenon. Women entrepreneurship is traced out, as an extension of their kitchen activities mainly 3-P's viz., pickles, powder and pappad to 3 modern E's, viz., engineering, electronics and energy. Nevertheless, as a whole, women entrepreneurship is slow and negligible due to discouraging social factors, such as family background, lack of education, lack of aptitude, lack of freedom to choose a job according to ability. Besides, in traditional societies women had been confined to the four walls of the home, children, household affairs, family rituals and customs. Very few had the opportunity to come out of the four walls and shine in different spheres. In Hindu scriptures, women are described as the embodiment of shakti, the supreme power, but in practice, they have been treated as abla, the weak and dependent on man. In an age of equality, women are still far from being treated as equal partners in society, which is dominated by men. The Indian women have a disadvantageous status in the society due to low literacy rate (40 per cent), low work participation rate (28 per cent), low urban population share (10 per cent), of women compared to 60 per cent, 50 per cent and 18 per cent respectively of their male counterparts.⁶⁵

Suggestions

On the basis of the aforesaid problems faced by women entrepreneurs and various other problems, there is a provi-

sion of a number of strategies for promoting women entrepreneurship to overcome these problems.

- Promoting entrepreneurship among women is important to tackle the problems of under employment and unemployment in the society.
- Education has been instrumental in increasing the participation of women in entrepreneurial activities. Government should provide better educational facilities and schemes to women folk.
- There should be a continuous effort to motivate, give confidence, inspire and assist women entrepreneurs.
- There should be continuous monitoring, improvement of training programmes, practical experience and personality development programmes to improve their over all personality standards.
- Potential women entrepreneurs should be exposed to different types of emerging opportunities.
- Establishment of proper training institutes for enhancing their level of work knowledge, skills, risk taking, abilities, enhancing their capabilities.
- Creating provisions of micro credit system and enterprise credit system to the women entrepreneurs at local level.
- A Women Entrepreneur's Guidance Cell should be set up to handle the various problems of women entrepreneurs.
- Positive attitudinal change in the society recognizing the role of women as entrepreneur may lead to the development of appropriate environment in which women will be able to exploit

As there are problems in entrepreneurship development programmes, some additional concessions are required. Banks and other financial institutions should come forward to give loans to women entrepreneurs without obtaining security from them at reduced rates of interest. Maximum possible assistance should be provided to women for completing documentation and other formalities. Lastly, to ensure women entrepreneurship development, integrated efforts by various institutions and corporations are needed so that required assistance may be provided to the potential women entrepreneurs.

Government and non-government organizations for the development of women entrepreneurs.

A number of organizations and institutions of central and state governments and non-government organizations have been offering a variety of programs, incentives, facilities for the promotion and development of entrepreneurship. Besides, there are some more organizations, which help in the development of entrepreneurship among women in India, which has been as under.

- Mahila Udyam Nidhi (MUN) and Mahila Vikas Nidhi (MVN)
- Stree Shakti Yojana of State Bank of India

- Priyadarshini Yojana of Bank of India
- Scheme of Indian bank
- Self Help Groups

Women Entrepreneurs' Associations

In India, with the growth of an entrepreneurial wave, few associations of women entrepreneurs have emerged into existence for helping and creating congenial environment for the growth of entrepreneurship among women.

- a.. National Alliance of Young entrepreneurs (NAYE): Women Wing
- b. National Association of Women Entrepreneurs and Executives (NAWEE)
- c. Association of Women Entrepreneurs of Karnataka (AWAKE)
- d. Association of Women industries / entrepreneurship of Maharashtra (WIMA)

Besides, the Associated Country Women of the World (ACWW) and World Association of Women Entrepreneurs (WAWEE), SEWA and some other International, national, state and local organizations are functioning towards the development of women entrepreneurship

Conclusion

Women's entrepreneurship is both about women's position in society and about the role of entrepreneurship in the same society. Women entrepreneurs faced many obstacles specifically in market their product that have to be overcome in order to give them access to the same opportunities as men. In addition, in some countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in the labour force is a prerequisite for improving the position of women in society and self-employed women. Particularly the entry of rural women in micro enterprises will be encouraged and aggravated. Rural women can do wonders by their effectual and competent involvement in entrepreneurial activities. The rural women are having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Now, what is the need is knowledge regarding accessibility to loans, various funding agencies procedure regarding certification, awareness on government welfare programmes, motivation, technical skill and support from family, government and other organization. More over Formation and strengthening of women Entrepreneurs network must be encouraged. Women entrepreneur networks are major sources of knowledge about women's entrepreneurship and they are increasingly recognized as a valuable tool for its development and promotion. This network helps to give lectures, printed material imparting first hand technical knowledge in production, processing, procurement, management and marketing among the other women. This will motivate other women to engage in micro entrepreneurship with the right assistance and they can strengthen their capacities besides adding to the family income and national productivity.

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